

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 553

October 27, 1995, 9:28 p.m.  
Page S-16037 Temp. Record

## BALANCED BUDGET RECONCILIATION/Deep Water Oil Royalties

**SUBJECT:** Balanced Budget Reconciliation Act of 1995 . . . S. 1357. Exon motion to waive the Budget Act for the consideration of the Wellstone amendment No. 3036.

**ACTION: MOTION REJECTED, 29-70**

**SYNOPSIS:** As reported, S. 1357, the Balanced Budget Reconciliation Act of 1995, will result in a balanced budget in seven years, as scored by the Congressional Budget Office (CBO). The bill will also provide a \$245 billion middle-class tax cut, \$141.4 billion of which will be to provide a \$500 per child tax credit.

**The Wellstone amendment** would strike sections 5930, 5931, and 5932. Those sections will amend the Outer Continental Shelf Lands Act to give the Secretary of Interior the authority to suspend royalty payments on new oil or gas wells drilled on new or existing leases in depths of 200 meters or greater if he determines that absent such suspension the wells will not be drilled or will be abandoned. Royalty payments will be suspended for new production in the western and central Gulf of Mexico. (The Administration estimates that there are up to 15 billion barrels of oil-equivalent in deep water in the Gulf of Mexico; currently, oil companies will not drill for that oil because the cost of paying the required royalties on deep water leases in the Gulf would make it uneconomical to drill; for related debate, see 103d Congress, 2d session, vote No. 120.)

The amendment was offered after all debate time had expired. However, by unanimous consent, 1 minute of debate was allowed on the amendment, and a statement was inserted into the record on it. Following debate, Senator Domenici raised the point of order that the amendment was not germane under the Budget Act. Senator Exon then moved to waive the Budget Act for the consideration of the Wellstone amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

**NOTE:** A three-fifths majority (60) vote of the Senate is required to waive the Budget Act. Following the rejection of the motion to waive, the point of order was upheld, and the amendment thus fell.

**Those favoring** the motion to waive contended:

(See other side)

YEAS (29)		NAYS (70)		NOT VOTING (0)	
Republicans (3 or 6%)	Democrats (26 or 57%)	Republicans (50 or 94%)	Democrats (20 or 43%)	Republicans (0)	Democrats (0)
Cohen	Boxer	Abraham	Helms	Akaka	
Jeffords	Bradley	Ashcroft	Hutchison	Baucus	
Snowe	Bryan	Bennett	Inhofe	Biden	
	Bumpers	Bond	Kassebaum	Bingaman	
	Byrd	Brown	Kempthorne	Breaux	
	Dodd	Burns	Kyl	Conrad	
	Feingold	Campbell	Lott	Daschle	
	Glenn	Chafee	Lugar	Dorgan	
	Graham	Coats	Mack	Exon	
	Harkin	Cochran	McCain	Feinstein	
	Hollings	Coverdell	McConnell	Ford	
	Kennedy	Craig	Murkowski	Heflin	
	Kerry	D'Amato	Nickles	Inouye	
	Kohl	DeWine	Pressler	Johnston	
	Lautenberg	Dole	Roth	Kerrey	
	Leahy	Domenici	Santorum	Mikulski	
	Levin	Faircloth	Shelby	Moseley-Braun	
	Lieberman	Frist	Simpson	Nunn	
	Moynihan	Gorton	Smith	Robb	
	Murray	Gramm	Specter	Rockefeller	
	Pell	Grams	Stevens		
	Pryor	Grassley	Thomas		
	Reid	Gregg	Thompson		
	Sarbanes	Hatch	Thurmond		
	Simon	Hatfield	Warner		
	Wellstone				

### EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

### SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

The Wellstone amendment would knock out of the bill what is euphemistically called "deep water royalty relief." In reality, this "relief" is nothing but a subsidy for oil companies that are doing very well. It is a scandalous special interest provision that we hope all Senators will join us in defeating.

**Those opposing** the motion to waive contended:

It is in the United States' economic and vital national security interests to give royalty relief for oil drilling in the Gulf of Mexico. Oil companies drill for oil where it is most profitable for them to drill for oil. Right now, geologists are firmly convinced that there are billions of barrels of oil in deep water in the Gulf of Mexico, but oil companies are not about to drill there for it because they would lose money in the process. One of the costs of drilling in the Gulf are the royalty costs that have to be paid to the United States Government. Absent royalty costs, it would be economical to drill in the Gulf. Gaining access to this oil would be enormously beneficial for the United States. Fully half of our balance of trade deficit is due to the costs of importing oil, and the recent Persian Gulf War demonstrated clearly the enormous national security risks that come from relying on unstable foreign countries for our energy supply.

Passing this relief has nothing to do with helping large oil companies; they have thrived by importing ever more oil from Saudi Arabia, Iraq, and other countries, and by cutting production and jobs in the United States (more than 450,000 domestic oil industry jobs have been lost in the past couple of decades). They have followed this course because it is cheaper to produce oil overseas, partially because of royalty, environmental, and other costs that have been imposed by Congress on domestic production.

For 15 billion barrels of domestically produced oil, we are willing to forgo royalty payments to the extent necessary to get oil companies to drill for oil. Senators must keep in mind that if they insist on royalty payments all they will get for the United States Government is a percentage of nothing--the oil companies will not even drill for this oil if royalty payments are going to be demanded.

For those Senators who think that this relief will prove harmful to the environment, we inform them that Secretary of Interior Babbitt strongly supports royalty relief in the Gulf of Mexico. Secretary Babbitt has proven his environmentalist credentials both as the former President of the League of Conservation voters, and through his actions (which many of us deplore) during his tenure as Secretary. Secretary of Energy O'Leary also favors this relief. A vote against the Wellstone amendment is not a vote to help big oil companies, but instead is a vote to help lessen America's trade deficit, to improve its national security, and to bring back tens of thousands of oil industry jobs that have moved overseas. It is a vote we are proud to cast.